

The American Observer

A free, virtuous and enlightened people must know well the great principles and causes on which their happiness depends. — James Monroe

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FEBRUARY 24, 1936

Congress Works Out New Farm Aid Plan

Substitute for Defunct AAA Calls for Reduction of Crops by Soil Conservation

FARMERS TO GET BENEFITS

But Money Will Come from General Tax Fund in Treasury Rather Than Special Levy

Last week we discussed the situation of a large block of Americans—the laboring classes. We described the conditions of living which prevailed among the third of the population who work for wages. This week we turn our attention to the second largest body of Americans—the farmers. About one-fourth of all the people live and work on the farms. The two groups together, therefore, the laborers and the farmers, make up nearly two-thirds of the total population.

Important legislation affecting the farmers is now being pushed through Congress. The Senate has passed a bill to take the place of the AAA, which was declared unconstitutional in January. It seems certain that the House of Representatives will follow the action of the Senate and that the bill will become a law. Before we consider its provisions, however, we should see how the farmers have been faring during recent years. We can then understand the troubles which the recent legislation is supposed to remedy.

Historical Background

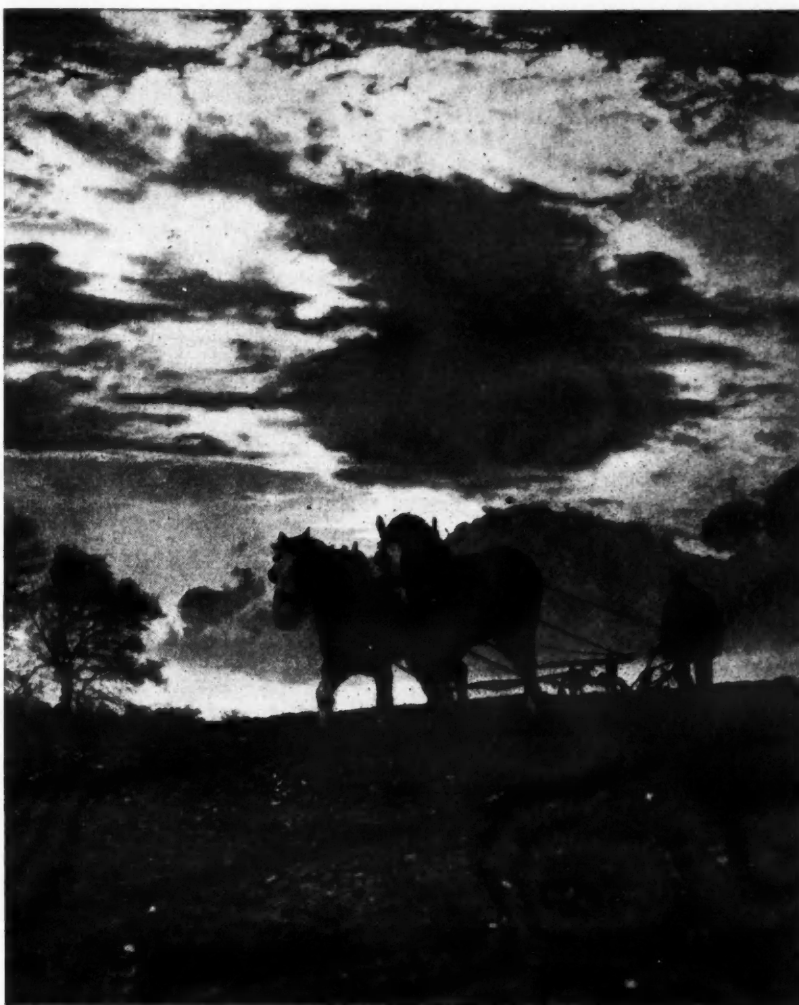
If we turn the pages of history back to the nineteenth century, we will find the farmers on the whole getting along rather well. They had their ups and downs, it is true. There were times when the prices of their products fell. They were discontented during these times, and called upon the government to help them in one way or another. But taking one year after another, we find that during the late nineteenth century farmers were making money and some of them were becoming prosperous.

We will do well to examine rather closely the conditions under which farmers were able to do so well, because we will find later that during recent years nearly all those conditions have been changed. What were these facts which were so favorable to American farmers a half-century or so ago?

For one thing, the land was quite cheap in those days. A man did not have to pay much for a farm. If he borrowed the money to buy it, he was not obliged to pay much interest. This meant that it did not cost him much to raise crops. Even though his prices were not very high, he could still make money. It cost him less, in fact, to raise wheat and other things than it cost farmers in other countries. This meant that he could sell his products to foreigners at low prices and still get along. So he had a foreign market for the things he raised.

Another condition was favorable to him. Foreigners, particularly the English, had plenty of money to buy American farm products. They were lending the Americans a great deal. They furnished much of the money for the building of the railroads in the West and for making other improvements. With the interest which they received from these loans they could buy American products. The farm products here were cheap and the Europeans needed them.

(Concluded on page 8)



WINTER MORNING PLOWING

Saving Yourself

Since we published the article on problems of youth a few weeks ago we have received many letters from young men and women asking for advice. These students want to know what they can do to save themselves. They are anxious not to drift into the army of the unemployed; the unwanted. Yet they know that there are not enough jobs at present to go around. Places may be more plentiful in a few years. Probably there will be some improvement in conditions. But prospects are not bright enough to dispel anxiety. What is the individual student to do about it? There is, of course, no sure and certain road to security. No one can sew up the future. But there are steps which the prudent youth may take. We venture this advice to those of our readers who are concerned with the problem:

The first thing to do is to canvass your possibilities. Decide what general line of work you would like to follow if you could. If you have no very clear ideas of what you should do, you would do well to read quite a little about different vocations. Get a good book on vocational guidance; H. D. Kitson's "How to Find the Right Vocation," for example, or William Rosengarten's "Choosing Your Life Work." If such a book is not in the school library, see if you can get the librarian to order one. If that can't be done, you and a few other students may go together and buy a book or perhaps a set of them. By reading these books you will find a number of suggestions about occupations. This will help you to make a choice. After you have made a selection (which, of course, may later be changed) you should read all you can about the vocation of your choice. Decide which of those you like most offers the best chances of employment and advancement.

The next step is to work as hard as possible to prepare yourself for efficiency in the work which you hope to do. Choose your elective courses with that in mind. Remember that you are going into an industrial world where competition is hard and where the laggards will fall behind. You may be coddled in school and at home if you are inefficient but, unless you are especially favored, you will have to stand on your own feet when you get a job. And there will be applicants for your place, hoping that you will drop out and make room for them. So prepare to be efficient, and keep in mind the fact that the best way to be certain of being efficient when you assume your responsibilities in the outside world is to acquire habits of efficiency and dependability while you are in school. You have a job now; it is the vocation of a student. Master that job and you will be doing two things; making a record which will stand as a recommendation for you later, and getting a running start in competent workmanship which will go far toward assuring your success in later years.

Expansionist Moves Disturb World Peace

Germany, Italy, and Japan Seek Overseas Possessions to Supply Needed Raw Materials

DEMAND TERRITORY CHANGE

But Principal Need Held to Be Reopening of Channels of International Commerce

If you were to go into a restaurant in Berlin and engage in conversation with a German about the present state of the world, he would probably repeat to you time and again that there can be no peace in Europe until Germany is given more territory. "Germany has a growing population," he would tell you. "She does not produce enough food and raw materials to enjoy a high standard of living. She needs overseas colonies where she may obtain these products and where she may settle her surplus population. The party platform of the Nazis recognize this, for in it they demand 'land and soil for nourishing our nation and settling our surplus population.'"

Expansion Sought

If, a few days later, you should travel to Rome, sit down in one of the many parks of that city, and pick up a conversation with a young Italian about the Ethiopian dispute, he would probably tell you something like this: "Of course Mussolini had to enter upon his African campaign. We are a poor people. Our land does not produce very much. We cannot feed our growing population, and we must send many of our people to overseas colonies. It is the only way we as a nation can live at all. Dino Grandi, former foreign minister and now ambassador to London, put his finger on the heart of the matter when he said some time ago: 'Ours is a vital problem that involves our very existence and our future, a future of peace, tranquillity, and work for a population of 42 million souls, who will number 50 million in another 15 years. Can this population live and prosper in a territory half the size of that of Spain and Germany, a territory lacking raw materials and natural resources to meet its vital needs, pent up in a closed sea beyond which its commerce lies, a sea the outlets of which are owned by other nations, while yet others control the means of access—?'"

Then, if you were lucky, you might be able to travel around the world and stop off a few days in Tokyo. You would try to talk to a Japanese about the present policy of his government in China. In justifying the course which his government has taken your friend would probably reason something like this: "You, as an American, can hardly appreciate our difficulties. You live in a land that is sparsely populated. You have practically all the products you need to feed your people and to keep your industries running. But try to picture yourself in our country. We are situated in a land equal in size to your state of Texas and yet we have a population more than half the size of yours. Our 70 million will very likely increase to 90 or 100 million in the next generation. How are we going to feed them? How are we going to keep our industries running? We have very few natural resources.

"It is in order to find a place for our surplus population and to secure the food and raw materials we need that we have been expanding into China. We took Man-

churia in 1931 in order to gain the products we need and to settle some of our surplus population. That is why we are today expanding into North China. It is a matter of life and death with us. There is no alternative. If the western nations seek to block us, we will fight. But we must be allowed to expand into China."

The "Have Nots"

Thus we find much the same story told by the Germans, the Italians, and the Japanese. They all feel that they need more territory, more colonies, in order to maintain a high standard of living for themselves. It has frequently been predicted that if some peaceful means of solving this problem is not found, these dissatisfied nations—the "have-nots" they are often called—will resort to war in order to possess more territory. Two of them are actually engaged in armed conflict to achieve their goal, and the third, Germany, has, within the last month, renewed her demands for the colonies which were taken from her at the close of the World War—colonies in Africa and in the Far East.

And statesmen of other nations have been giving a great deal of attention to this very problem within the last few months. Sir Samuel Hoare, at the time British foreign secretary, raised the question at the meeting of the League of Nations Assembly in Geneva last September. He recognized that Italy and other nations needed sources of raw materials. He said that the problem was to arrange "the free distribution of such raw materials among industrial countries which require them so that all fear of exclusion and monopoly may be removed once for all."

Those who share this belief that the most serious menace to world peace today is the unequal distribution of colonies and lands rich in natural resources argue that if war is to be averted, steps must be taken to redraw the map of the world in such a way as to give the "have-not" nations control over certain of these overseas possessions. We know that steps in that direction have been under consideration. We know that certain steps have actually been taken, for France yielded to Italy certain of her African possessions, even before the Ethiopian war broke out last fall. Certain officials of the British government have indicated a willingness to transfer parts of Britain's overseas empire to other nations. How sincere these gestures are we have no way of knowing.

Threat to Peace

The important thing to take into consideration is the question of whether redistribution of colonies (admitting that it could be accomplished peacefully) would actually remove the outstanding threat to peace and permit the world to live with a feeling of greater security. The answer to this question is not easy to find. We cannot tell definitely, for example, whether Germany would cease to be a threat to peace if all her former colonies were restored to her in accordance with her present demands. Those who have devoted the most careful study to the problem are divided in their answers. Very recently, a number of outstanding students of the problem have come to the conclusion that the root of our present international economic difficulties does not lie in the distribution of colonies and raw materials, and that a redistribution would in no way offer a satisfactory solution.

Proponents of this school of thought contend that past experience shows that the suggested course of action would offer no guarantee of peace and security. Germany had all her colonies in 1914 and yet the peace was not kept. What assurance have we that she would not continue to be a disturbing element, even if her boundaries were remade in such a way as to be the same as they were before the outbreak of the World War? Moreover, past experience shows, rather conclusively, that overseas possessions have never served as an outlet for surplus population. In a recent booklet dealing with this subject, Sir Norman Angell, the noted British writer and lecturer, declares: "Despite intense propaganda about the need for a colonial outlet

for Germany's redundant population, there were, on the eve of the war, more Germans earning their livelihood in the city of Paris than in all the German colonies in the whole world combined."

Raw Materials

Japan's and Italy's record for colonization is practically the same. Nathaniel Pfeffer, in an article appearing in the January issue of *Harpers*, points out that in 1930, 25 years after Japan had acquired

the world are not sitting on the raw materials in their colonies. Rather, their principal task is to find a means of getting rid of those products, for there is such a surplus of them that the price has fallen and there is economic chaos. In his booklet Sir Norman replies to this argument by asking a number of questions:

Is there in fact a single state producing raw materials which desires to keep that material to itself? Is the problem really one of any difficulty of access? Is not the difficulty

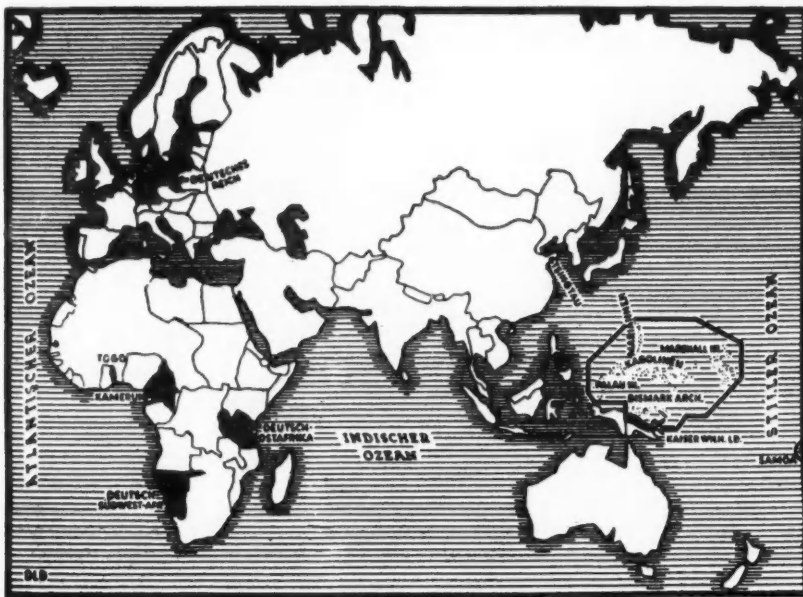
it were, upon the commercial highways of the world. From the moment that that traffic becomes blocked by the sort of dislocation that always follows upon war, material ceases to be wealth; the Brazilian has to burn his coffee, the Kansan his corn. But neither burns the coal of the Pennsylvania miner, who goes without the coffee and the corn.

The principal difficulty today, it is argued, is that nations do not have the money to buy the materials they need from overseas. In order to get the money wherewith to buy overseas products, a nation must sell its own goods or services. Germany is today in a difficult position because her foreign sales have been cut off. She is not selling enough abroad in order to get the money with which to buy the foodstuffs and raw materials she needs. If she had colonies, would this problem be solved? She could not walk into the colonies and help herself to their goods. She would have to pay for them, just as she would have to pay for products bought from British or Dutch or French or American colonies. The situation is not unlike that which prevails in our own country. Thousands of workers in New York City could eat more bread and wear more clothing. Yet they are not able to get these things just because there is wheat produced in Kansas and cotton in Texas. Germany would have to sell sufficient quantities of her goods to the colonies in order to obtain the raw materials. In other words, she would have to exchange her products for those of the colonies, as that is the only way by which trade—domestic, colonial, or international—can be carried on. Would the natives of the colonies be able to buy sufficient quantities of German goods to enable her to get the raw materials? That is a question which is open to doubt.

Suggested Solution

Sir Norman Angell, Nathaniel Pfeffer, and others who have studied this problem, believe that the only solution lies in opening the channels of international trade so that Germany and Italy and Japan may be allowed to sell enough of their goods in order to buy the raw materials which they need. Walter Lippmann, writing on this subject in a recent issue of the *New York Herald-Tribune*, states that "the problem cannot be solved by a redistribution of colonies or by acquiescing in imperialistic conquest. Such a solution might postpone, but in the end it would surely aggravate the struggle for political supremacy on the essential highways between Europe, Asia, and Africa. The alternative, the only alternative, it would seem, is to relieve the pressure by giving Germany and Italy very much freer access to all the markets of the world. For if they could export freely, they could freely buy all the raw materials they need."

It would be a mistake to assume that there is a clearly indicated solution to this highly important problem. To a certain extent, the problem is not essentially different from the domestic difficulties confronting most of the nations today. Fundamental adjustments may be necessary in order to find means of using as much as we are able to produce, without being obliged to destroy our farm crops while people go hungry and to operate our factories at less than capacity when millions need those products. If we are able successfully to cope with this domestic problem, the international counterpart of it may take care of itself. But it is certain to be one of the most exacting tasks confronting us during the coming years.



—Courtesy Deutsche Kolonialgesellschaft, Berlin
GERMANY'S FORMER COLONIES
Would their restoration solve Germany's problems?

South Manchuria, there were only 200,000 Japanese there—"fewer than had been killed in the war to acquire it and one third the annual increase in population." The same story is true of other Japanese possessions, Korea and Formosa, and the record of the more recent acquisition, Manchoukuo, though briefer, is no more impressive. And Italy, although she has "owned" Eritrea for more than 50 years, has settled only 400 of her citizens "in the 2,000 square miles of territory most suitable for European residence," according to Sir Norman Angell.

rather that of paying for it? Will not the Kansan sell his corn as readily to an Italian as to a Californian if the Italian has the money wherewith to buy? And can the Californian obtain the corn unless he has the money wherewith to buy? He cannot get it for nothing just because that corn happens to be grown on territory which as an American he "owns."

Products Available

There are many products which the United States uses in great quantities that are not produced on American soil. Practically all the rubber of the world is produced on British soil; nevertheless, the



RAW MATERIAL FROM MANCHOUKUO

Will the control of Manchoukuo make it easier for Japan to obtain soy beans and other raw materials?

The other principal argument in favor of a redistribution of colonies is that they furnish raw materials and a market for the industrial products of the mother country. This is certainly one reason why Japan seized Manchuria, and it is one reason why Italy is waging her campaign in Ethiopia. It is argued that if Germany had her colonies she could obtain the foods she needs to feed her people and the raw materials which her industries require. In answer to this argument it is pointed out that political control of a region which produces certain needed materials is not necessary to get those materials. The colonial powers of

United States is the greatest consumer of rubber and has no difficulty in obtaining it. Nor does this country have any trouble getting the many other products which it uses but which are produced on territory "owned" by some other nation. Italy or Germany or Japan has just as free access to these raw materials as does the United States. The products are not, of course, given away. They must be paid for and any nation is "free" to buy them if it has the means. Let us quote Sir Norman again:

Wealth in the modern world is vitally dependent upon the maintenance of a certain process, upon keeping the traffic moving, as

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AROUND THE WORLD

Spain: Threats of renewed civil warfare swept over Spain after the national elections of February 17. Early returns pointed to a defeat of the conservatives led by the Catholic Jose Maria Gil Robles, often referred to as potential dictator of Spain, and to a victory for the radicals headed by Socialist leader Francisco Largo Caballero and by former Premier Manuel Azaña.

It will be surprising if the radicals are declared winners and allowed to regain control over the government. It seems more likely that the conservatives will resort to force, as they did in October 1934, in order to suppress the opposition. Immediately

after the election a "state of alarm" was declared throughout Spain and there were signs that martial law would follow. The radicals, claiming victory, were pressing for a return to power, but the conservatives were not ready to admit defeat. There were some disturbances and it was entirely possible that



© W. W.
FRANCISCO LARGO
CABALLERO

civil war, akin to that of 1934, would follow. The conservatives are not expected to give up their power without a struggle.

France: The nervous political situation in France was intensified recently when Leon Blum, 64-year-old French Socialist leader, was attacked by a group of Royalists while sitting in an automobile in Paris. Mr. Blum was so badly beaten that he had to be taken to a hospital for treatment.

This unprovoked assault has further embittered relations between the extreme conservative and radical groups in France. Moreover, it has tended to bring the liberal and radical Frenchmen a little closer together. A few days after the attack, 200,000 members of the Popular Front, which is composed of both liberals and radicals and which has for its purpose the combating of royalists and fascists, marched through the streets of Paris in protest against the Blum attack.

Certain royalist organizations in France have become bolder in recent weeks in demanding violent action to stave off the growing radical movement in France. It is for this reason that Albert Sarraut, new French premier, has promised that punishment will be meted out not only to the attackers of M. Blum but also to all those who "have prepared and premeditated these incessant provocations to assassination."

Within a few days, the French Chamber of Deputies is expected to take a step which may have as far-reaching significance in European diplomacy as anything that has happened since the World War. The Chamber is almost certain to ratify a treaty of mutual assistance with Soviet Russia. A treaty of mutual assistance implies that in case either country is attacked by a third nation, the other party to the treaty will lend aid and assistance. In the pre-war days, such a treaty was known as a military alliance, although in the post-war period such a term has not been very popular in diplomatic circles. If the treaty goes into effect, it is understood that immediate steps will be taken to effect

close cooperation between the military leaders of the two nations.

The effect of the Franco-Russian treaty of mutual assistance is likely to be a greater strain in the relations between Russia and Germany, on the one hand, and France and Germany on the other, for it would hem the Germans in on both the eastern and the western front. The Germans have denounced the treaty in no uncertain terms, feeling that it is directed against them. This both the French and the Russians deny, claiming that Germany was given the opportunity to enter into such an agreement but turned it down. Of course, it is a blow to German diplomacy in that it has isolated the Reich more than ever and may make more difficult the realization of her dreams of expansion toward the east, at the expense of Soviet Russia. In such a case, the Germans would certainly meet an iron wall with the combined military strength of two of the greatest and most heavily armed powers of Europe.

Far East: The border between Outer Mongolia and Manchoukuo, never having been clearly defined, has produced frequent armed clashes in this area. Outer Mongolia is an independent republic which for 11 years has had the help of Russia in keeping out Japan. Naturally, therefore, it is strongly under the influence of the Soviet government. And Manchoukuo, of course, is controlled by Japan. Whenever an armed clash occurs between the troops of the Mongolians and Manchoukuoans, Japan and Russia usually blame each other for stirring up the trouble.

Border disputes in this region appear to be getting more serious lately. One occurred a few days ago which has brought strong protests from both Japan and Russia. Real trouble may be in store, for all the Russian citizens in Manchoukuo have had their passports checked by the Soviet consul general at Hsinking (capital of Manchoukuo) and may soon be ordered to withdraw from the country. The Soviet consulate at Mukden, an important city in Manchoukuo, has been closed.

Soviet and Japanese officials have begun negotiations to patch up their differences. It has been suggested that a committee composed of neutral foreigners investigate this entire matter. Competent observers feel, however, that serious trouble will inevitably develop in this region—trouble arising out of the conflicting desires of Russia and Japan to spread their influence in the Far East. Both these countries are making elaborate military preparations in or near this territory.

Germany: Relations between the Catholic Church in Germany and the Nazi government have again become strained. In all parts of Germany the officers of the

Catholic youth groups have been arrested by the Nazi secret police. The Nazi leaders are attempting to bring all young Catholics into the Hitler Youth, the National Socialist organization for boys and girls between the ages of 10 and 18. Those Catholics who refuse are being arrested. Furthermore, many priests are being seized by the police, under charges of Communist conspiracy and high treason. The Nazis have a habit of accusing their opponents of being Communists.

Ever since Hitler came into power, there has been discord between the Catholics and the Nazis. The government and the church entered into an agreement, or concordat, setting aside certain limits of authority beyond which neither of the two would go. But the Nazis are ignoring this agreement in their efforts to force all Hitler youth to come under the Nazi banner and under Nazi guidance. The Catholic leaders, however, are taking as strong a stand in opposition as the Protestant ministers recently did when the government tried to dominate them completely. It will be interesting to see how much longer the Nazis can antagonize large groups of the population and still maintain their hold over the German people.

Russia: In the second of three articles entitled, "Does Socialism Work?" appearing in *The New Republic* and giving the results of his investigations in Russia, George Soule, one of the editors of that magazine, paints a sympathetic picture of conditions under the Soviet régime. In the second article, Mr. Soule makes the following observations: (a) The Russians emphasize the acquiring of culture but at the same time they are trying to give all the people material goods of all kinds; (b) The Russian theater is far ahead of the American; (c) There are good art museums, patronized by workers, students, and children; (d) Factories operate on a seven-hour day with every sixth day off. Industrial workers get a month's vacation with pay while white collar workers get two weeks; (e)

The Russians have the benefit of old-age pensions, free medical and dental treatment, free hospitals, rest homes for people on vacation, free kindergartens and nurseries; (f) Children get the best of everything. Everyone receives an education and every graduate of school or college may be sure of a job; (g) Family life and parental responsibility are being emphasized.

Ethiopia: The Italian armies in northern Ethiopia recently defeated 80,000 Ethiopians in a six-day battle, the most



SPAIN—GOOD FRIDAY

From an etching by Muirhead Bone, courtesy Knoedler Galleries.

important so far in the African war. The Italians, under Marshal Pietro Badoglio, suffered 1,500 casualties; the Ethiopian forces of Ras Mulugheta, subjected to a terrific artillery and airplane bombardment, lost 20,000 in killed and wounded. The invaders, having captured several major towns and the mountain fortress of Amba Aradam, are now within striking distance of Lake Ashangi, whence there is a fairly good road to Dessye and Addis Ababa. It is expected, however, that Marshal Badoglio will pause to build roads and strengthen his line of communications before attempting to push any farther south. Operations may also be delayed by the heavy rains which are due in the early part of March and may last until September.

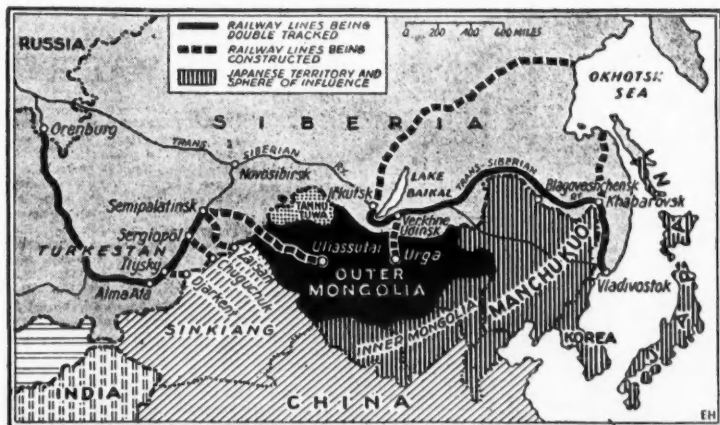
Charging that Communists were plotting to overthrow the constitutional government of Chile, President Arturo Alessandri recently disbanded Congress, put the country under martial law, and arrested 600 of his political enemies.

It is reported that Sir Samuel Hoare, who was forced to resign as British foreign secretary because of his part in the ill-fated Hoare-Laval peace plan, will be placed in charge of coordinating the various parts of defense program, which is expected to be greatly expanded in the near future.

Opening the German automobile show recently, Adolf Hitler announced that a substitute for rubber had been invented and that, used in tires, it is 10 to 30 per cent more durable than real rubber.

After continuous battle for more than 12 hours, military leaders succeeded in ousting the government of Paraguay last week and establishing themselves in power.

Great Britain has politely told Italy that the military precautions she is taking in the Mediterranean are none of Italy's business.



—Courtesy New York Times

LINES OF STEEL IN THE FAR EAST

Strategic railroad lines are being rushed by Soviet Russia to prepare for possible trouble with Japan.



THREE AGAINST THE COURT

Senator George Norris of Nebraska, Senator James P. Pope of Idaho, and Senator Lewis B. Schwellenbach of Washington, are among the leaders of a movement to curb the powers of the Supreme Court.

© Harris & Ewing

TVA Upheld

The United States Supreme Court has handed down another very important decision. This time the government is sustained. The act of Congress creating the Tennessee Valley Authority is declared to be constitutional. The Court sustained the TVA by a vote of eight to one. Justice McReynolds presented a dissenting opinion, expressing the view that the act exceeded the powers of Congress.

Chief Justice Hughes read the majority decision. He held that the government had a right to construct the Wilson Dam, which is the large dam at Muscle Shoals, Alabama, at which electricity is now being produced. The government constructed this dam under the power to prosecute a war, because the project was used first to make nitrates from which explosives are made. A dam can also be constructed for the purpose of controlling floods or navigation. In order to carry on its operations at the dam, the government needs electricity. It has the power to make the electricity. If it makes more than it needs it may sell the surplus, just as it may make guns for the soldiers to use in war and then sell the surplus which is left over when the war closes. If it is to sell the electricity, it may establish transmission lines so as to convey the electricity to the places where it may best be sold. Hence the entire operation of the government in building dams, generating electricity, transmitting the electricity to different sections, and selling the electricity is in accordance with the Constitution. Such is the Court's decision.

Justice McReynolds, in his dissenting opinion, said that, as a matter of fact, the government was not merely disposing of surplus electricity. It was making the electricity for the purpose of selling it to consumers. It was, therefore, going into business in competition with private industry. Granted that it might make the electricity necessary for the purpose of doing something which it had a constitutional right to do, like the building of a dam to make nitrates, and granted that it had a right to sell a little electricity which might be left over, it did not have the right, according to Justice McReynolds, to manufacture great quantities of electricity for the very purpose of selling it in competition with private electric companies. That is an activity in which the Constitution does not permit the national government to engage.

The Supreme Court, however, by a vote of eight to one, endorsed the position taken by Chief Justice Hughes. It would seem that this decision may enable Congress to do many things which it is not given the specific power to do by the Constitution and which heretofore have not been considered constitutional. In the light of this decision, it would seem that Congress might do almost anything which it considered to be in the national interest merely by doing something which the Constitution clearly permits it to do and then engaging in other and more important activities as sidelines. We cannot be certain, however, that the Supreme Court would be as generous with Congress in other cases as it has been in this. It must be remembered that the Court limited

the powers of Congress rather closely in the NRA and AAA cases. In the TVA case, the Court appears to have given Congress the benefit of the doubt about the constitutionality of its action. In the other cases it did not.

The Court's Powers

The week preceding the Supreme Court's decision on the TVA saw a flurry of anti- and pro-court speeches in the Senate. The movement had its beginning in a long, carefully thought out address by Senator George W. Norris of Nebraska, one of the most eminent and most respected members of the Senate. Senator Norris declared that the AAA decision could not be permitted to stand, and advocated a law curbing the powers of the Court. He maintained that the Court should not be permitted to declare an act of Congress unconstitutional unless by unanimous vote.

Shortly afterward, the majority leader, Senator Joseph T. Robinson of Arkansas, made a speech attacking the Court for its "arbitrary" action in invalidating the AAA. Senators William G. McDuff of California and Lester J. Dickinson of Iowa arose to defend the Court, Senator McDuff pointing out that "majority rule is the basis of our government," although unanimity is required for jury verdicts in ordinary court procedure.

It was apparent that a movement to curb the powers of the Court was being organized, and that it would have a considerable following in the Senate. What effect the TVA ruling will have on such a movement remains to be seen. The Court's liberal decision in this case will make it more difficult to argue that it is retarding necessary progress.

Pan-American Parley

Following along the general lines of his "good neighbor" policy, President Roosevelt



—Elderman in Washington Post
WE HAVE SOMETHING JUST AS GOOD
Congress is making the largest peacetime military appropriations in history.

The Week in the

What the American People

has issued invitations to the heads of the Latin American countries for a conference to cement peace in the Western Hemisphere. He suggested that the peace parley be held at an early date, and has proposed Buenos Aires as a suitable meeting place.

How the 20 Latin American republics will respond to this new gesture of friendship and good will on the part of the United States government is unknown at this time. Two of the governments, Ecuador and Uruguay, have sent favorable replies to the presidential invitation. There has scarcely been time for the others to make up their minds and make their replies.

Observers feel that now is the most opportune time for such a conference. There can be no doubt that the opposition to the United States which has existed among the Latin American countries is as mild as it has been at any time within the last half century. This change of heart has been due largely to the "good neighbor" policy, which has succeeded, partially at least, in allaying the fears of American domination in this hemisphere. Abandonment of the Platt amendment more than two years ago has helped considerably in bringing about this better feeling, for by that action the United States gave indication that it would no longer insist upon intervening, by force at least, in the internal affairs of Cuba at every political upheaval.

It would be a mistake to assume, however, that all the bitterness of the last 50 years has been wiped out by the Roosevelt administration's new policy. Most of the countries to the south still regard our conception of the Monroe Doctrine as a violation of their rights as free nations, despite reassurances given by both the President and Secretary of State Hull. Difficulties may arise over this issue. Another obstacle is seen in the fact that all but two of the Latin American nations are members of the League of Nations, and they may see in this latest move an attempt to establish an international organization in this hemisphere which would compete with the League.

The Political Week

Latest rumblings in the political pot:

Herbert Hoover, in his Lincoln Day address, spoke mainly of the danger of inflation. He said that the present "boom" on the stock market was due not to confidence, but to the fear of inflation.

The same day, Senator Arthur Vandenberg, one of the leading candidates for the Republican nomination, held out his hand to those Democrats who have no stomach for the New Deal. He called them Jeffersonian Democrats, and said: "I welcome Jeffersonian cooperation—not only in the battle line but subsequently in the council chamber after next November's victory is won."



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LADIES OF THE SENATE
Senator Hattie Caraway of Arkansas congratulates the new senator from Louisiana, Rose McConnell Long, widow of the late Huey P. Long.

Chairman Fletcher of the Republican National Committee talked along similar lines, saying that there should be a place in a Republican cabinet for Democrats.

Colonel Frank Knox officially announced his candidacy for the Republican nomination, and did Senator Dickinson of Iowa.

President Roosevelt was defended by Secretary of the Interior Harold L. Ickes, who compared the criticism which Lincoln received for emancipating the slaves with the charge of unconstitutionality leveled against the present administration.

Social Security Starts

Checks amounting to nearly four and a half million dollars have been received by 21 states from the United States treasury. The proceeds will be used to put into actual operation the provisions of the social security act passed



THUNDER ON THE OTHER SIDE
—Herblock in Syracuse (N. Y.) Herald

by Congress at its last session. The money will be distributed to the aged, the blind and dependent children. Under the terms of the act, the federal government contributes half the cost of old-age pensions and contributions to the blind, matching dollar for dollar, and in the case of dependent children the federal government puts up one dollar for every two dollars contributed by the state. All plans must be approved by the Social Security Board in Washington and must live up to certain standards set forth in the law. Of present 18 state plans for old-age pensions have been accepted, 12 state plans for assistance to the blind, and 12 plans for aid to dependent children.

A Free Press

The United States Supreme Court does not devote its entire time to passing judgment upon the constitutionality of acts of Congress. Often it is called upon to decide whether acts of the state governments adhere to or violate provisions of our basic law. A short time ago it was called upon to act in just such a case. During the rule of the late Huey P. Long, the legislature of the state of Louisiana passed a law levying a tax of three per cent on the advertising revenues of newspapers having a weekly circulation of more than 20,000. The purpose of this law, it was known at the time, was to punish the newspapers because of their opposition to the reign of Long.

This law the Supreme Court has declared unconstitutional on the ground that it violates the first and fourteenth amendments to the Constitution. Under the terms of the first amendment, Congress is prohibited from making any law which abridges "the freedom of speech, or of the press." According to the highest tribunal the states, under the fourteenth amendment, are prohibited from violating this basic civil liberty.

The United States

Doing, Saying, and Thinking

Associate Justice Sutherland, who read the court's decision, declared that since the Louisiana statute was designed to curb the circulation of a selected group of newspapers it was unconstitutional. "The newspapers, magazines, and other journals of the country," the decision continued, "have shed, and continue to shed, more light on the public and business affairs of the nation than any other instrument of publicity; and since informed public opinion is the most potent of all restraints upon government, the suppression or abridgment of the publicity afforded by a free press cannot be regarded otherwise than with grave concern."

A Housing Program

For many months plans for a new housing program have been under discussion in the national capital. It has been delayed by controversy as to how far the government

ner's program would authorize the Federal Housing Administration to insure mortgages on small homes to the limit of 90 per cent, rather than the 80 per cent now provided. This will apply on houses priced at less than \$5,000, and will mean that to build a house costing this much, the purchaser will have to make a down payment of only \$500. He will pay the rest on easy installments over a period of 20 years.

The new plan is meeting with both praise and criticism. Building interests are satisfied to see the government keeping out of direct construction work although some of them remain convinced that nothing at all should be done in the way of housing. Real estate developers are pleased with the prospect of being able to build and sell many low-cost houses. However, those who feel that much more money should be spent, and that the government should not leave housing to the chance initiative of municipalities, are disappointed. They see in it another important concession to business by the New Deal.

Finally, there is criticism of the 90 per cent mortgage insurance. It is said that it leaves too narrow a margin for the fluctuation of real estate values and for errors made in appraising property. It is feared that this too-easy financing of small homes will mean many losses to the government. On the other hand, the argument is made that government insurance will stabilize construction and values, and that it will make it possible for millions to own homes of their own.

Millions for Defense

The largest military peacetime appropriation in American history has been voted by the House of Representatives. After scant debate, the lower chamber even went further than President Roosevelt recommended in his budget in providing for an increase in the strength of the army. And the President had asked for \$60,000,000 more for the army than is being spent during the present fiscal year, which will end June 30. The additional sum authorized by the House will be used to increase fortifications on the Pacific Coast, in Hawaii, and at the Panama Canal. This brings the total War Department appropriation to \$545,226,318.

While the House was quite willing to increase the military activities of the War Department (at one point it appeared inclined to authorize the purchase of more military planes than can be turned out in one year by the American aircraft industry), it threw out appropriations for certain nonmilitary activities of the War Department. The President had requested \$29,000,000 for such things as the Passamaquoddy Dam in Maine, the Florida ship canal, and other projects. These were not included in the War Department bill because the committee which drafted the bill



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IN THE FACE OF A COAL SHORTAGE

Severe winter weather has forced mines to increase their production in order to avert a coal shortage. The above picture shows trucks waiting in line at an Illinois mine to haul away coal as fast as it is produced.

declared that special authorization for them should be given.

Unless the Senate reverses the tendency in the House, it is not at all unlikely that the nation will be presented with a bill of over a billion dollars for the army and navy next year. Thus, while it is scratching around trying to rake up enough money to pay one part of the cost of the last war, Congress is adding year after year to the sums spent in preparation for the next.

Relations with Japan

Senator Key Pittman of Nevada made a startling speech in the Senate the other day—startling because of the unmeasured terms in which he condemned Japanese policy. The speech is especially significant because Mr. Pittman is chairman of the Foreign Relations Committee of the Senate. It is the pronouncement of an influential official in the American government.

Senator Pittman charges the Japanese with having violated treaties to which America is a party. He declares that the Japanese government is taking over Chinese territory with the purpose of excluding foreigners, including Americans, from the Chinese market, and that the Japanese deny America's right to protect its commerce. The senator serves notice upon Japan that America insists upon the right to protect her commerce with every nation including China. His statement implies that we may fight to preserve our rights if it is necessary for us to do so.

The Pittman speech is approved by those who think that America should adopt a stiffer policy toward Japan and should either check Japanese expansion in China or at least prevent trade discrimination by the Japanese against American commerce in the Orient. It is deeply regretted by those who think that Japanese acts in China do not immediately concern us or that there is not much we can do about it; who say that such trade as we

might lose through Japanese aggression in the Far East is not worth a war and that we should cultivate friendly relations with Japan.

Names in the News

Representative Vito Marcantonio, liberal member of Congress from the state of New York, was arrested recently when he attempted to lead a demonstration parade of relief workers. He was later ordered released by Lewis J. Valentine, New York City police commissioner.

James Harvey Robinson, noted American historian and author of widely read books, has died at the age of 72. He had become especially well known to students, large numbers of whom used in their classes his famous text, "Introduction to the History of Western Europe."

Norman Thomas, Socialist leader and former candidate for President, was arrested in Brooklyn, New York, a short while ago on the charge of illegal picketing. This is the first time that Mr. Thomas has been arrested in New York City for his activities in behalf of labor unions.

In Brief

Harvard University has once again rejected the offer of a gift from Ernst Hanfstaengl, the personal press agent of the German dictator, Adolf Hitler. It was in 1934 that Dr. Hanfstaengl, a graduate of Harvard, first offered a scholarship to that institution. But it was rejected on the grounds that the political associations of the donor were opposed to the free and unhampered research pervading American universities.

On March 1, the United States government will take over the Boulder Dam project, completed two years ahead of schedule. This project is the biggest undertaken by the government since the construction of the Panama Canal.

New York restaurants and cafes are soon to be equipped with a new medium of entertainment. There has been developed a new type of musical recording which is said to rival in fidelity, range of tone, and subtlety the original playing of an orchestra. Studios are being built where entire programs will be played on these new records and the program will be transmitted over wires to all those who subscribe.

The Townsend campaign for old-age pensions may soon have to run the gauntlet of a congressional investigation. Certain members of Congress want to know what the leaders of the Townsend movement have done with the money they have collected from their 8,000,000 members and to what extent these funds have been used for political purposes.



SOMEONE ELSE TAKES A WALK

—Brown in Youngstown (Ohio) Daily Vindicator

should go in slum-clearance, low-cost construction, and in providing easier terms for the small-home purchaser. Some have held that the government should undertake a large program by which it would spend about \$1,000,000,000 a year building new housing facilities for the underprivileged. Others have maintained that the government might to a limited extent encourage private business in its efforts to provide better and cheaper housing, but it should not itself engage in construction. Some of them admit that the government might help with gifts and loans to finance housing for the lowest paid workers, since this field is not profitable to private business, but that it should under no circumstances compete with business.

This controversy has raged so incessantly that it has made it impossible to develop a well-rounded housing program—one of the cardinal aims of the New Deal. Various agencies, such as the Federal Housing Authority, the Resettlement Administration, and the Public Works Administration, have each tackled the housing problem from different angles and with varying degrees of success. The result has largely been confusion.

Now, Senator Wagner of New York, whose interest in housing has been constant, is preparing to sponsor a bill which he hopes will bring order out of chaos and start the government on a long-term, constructive housing program. According to his plan, which is supposed to have the approval of the President, the government would keep out of construction, but would help municipalities, and other local subdivisions, by gifts and loans for housing purposes. The government might embark upon "demonstration projects" in cases where the proper cooperation from municipalities is not forthcoming, but generally, housing will remain a local enterprise. The government will spend from \$300,000,000 to \$400,000,000 a year over a period of 10 years.

The second important point in Senator Wag-



© Wide World

LANDON'S MAN
Representative Clifford Hope of Kansas who is pushing the Kansas governor's agricultural ideas in Congress.



—Homan in Owensboro (Ky.) Messenger

A GENTLEMAN TO SEE YOU, SIR
Congress is not anxious to tackle the problem of taxation in a political year.

Historical Backgrounds

By David S. Muzzey and Paul D. Miller

The Supreme Court and Social Reform

IT HAS been apparent for weeks that the Supreme Court would probably become an issue in American politics. As it has declared one act of the New Deal after another to be unconstitutional, dissatisfaction has grown. President Roosevelt has made no attack on the Court. He has not raised the issue concerning its powers, but a number of senators have. Senator Pope has introduced a resolution calling for a constitutional amendment which will provide that the Supreme Court cannot invalidate an act passed by Congress except by a vote of more than two-thirds of its members. Senator Norris has placed himself solidly behind the movement to curb the Court.



DAVID S. MUZZEY

This is not the first time that there has been widespread feeling against the Supreme Court. The student of American history will recall a number of periods when the powers of the Court have been questioned. Andrew Jackson's position is well known. He denied the legal power of the Court to declare congressional acts unconstitutional. He thought that when the Court took action of that kind it was exceeding its authority. Abraham Lincoln did not go so far as that, but he thought that the Supreme Court should not have the last word in deciding what the American people should do. His position was that Congress should find a way to accomplish its purposes, though he was not very clear as to how this should be done.

Court Criticized

Near the end of the nineteenth century, there was another flare-up of opinion against the Supreme Court, but that time it did several things which aroused the opposition of the workers and the farmers. The laboring classes were angered by the stand the Court took on injunctions. There had been a big strike and there was quite a little violence. The local federal court had issued an order or injunction, forbidding the union leaders to call a strike. They had gone ahead and called it, and the court held that they were guilty of contempt of court, which was another way of saying that they were guilty of refusing to obey the court's orders. It was held that the judge who issued the order could try those who were charged with having violated his orders, and that the person charged with the offense could not demand a trial by jury. The judge tried these contempt cases and several of the leaders, including Eugene V. Debs, were convicted. They appealed to the United States Supreme Court, declaring that the Constitution gave them the right to a trial by jury, but the Court, by divided vote, decided that in injunction cases trial by jury was not necessary. Workers throughout the country were aroused against the Court by this decision.

At about the same time both workers and farmers, but particularly the farmers, were enraged because of the Court's decision in the income tax case. Congress had passed a law levying a tax on incomes. The question was raised as to whether this was constitutional. Wealthy people, obliged to pay the tax, said they were being discriminated against because of their wealth, and that a tax of this kind was not constitutional. It was charged that an income tax was socialistic; that once it were admitted the government had a right to tax incomes, the poorer classes would get charge of the government and would take over all the wealth of the richer classes by taxing them. The United States Supreme Court held, by a vote of five to four, that

the levying of an income tax was unconstitutional.

There was a cry of protest against this decision. There was much complaint against the Supreme Court, but finally, instead of taking away the power of the Court, declaring acts of Congress unconstitutional, the Constitution was amended. The sixteenth amendment, adopted in 1913, gave Congress the right to levy income taxes and such taxes have been regularly levied since.

Demands for Reform

Theodore Roosevelt led another movement to reduce the powers of the Supreme Court in 1912. He made his campaign for the presidency largely on that issue. He had a plan for what was called the recall of judicial decisions. According to this plan, if the Supreme Court declared certain classes of acts of Congress unconstitutional, there was to be a vote of all the people, and if they voted for a measure which Congress had enacted and which the Court had declared to be unconstitutional, it was to be held constitutional in spite of the Supreme Court's action. Mr. Roosevelt was not elected, for the Democrats won that year, but Roosevelt received more votes than President Taft, the Republican candidate, did. This indicated that his views on the Supreme Court were held by many Americans.

There have been several amendments to the Constitution since that time, but the powers of the Supreme Court had not been seriously questioned again until the dispute over the constitutionality of the New Deal measures arose. Now the Court is again an issue in American politics. This issue may not come directly into the presidential campaign, but the country is sure to hear much about it for some time to come.

It is interesting that the forces which are today trying to curb the power of the Supreme Court are essentially the same as those which led the campaign during the nineties and the first part of the present century. It was the representatives of workers and farmers who felt that the court was using its powers as an instrument to protect the interests of the dominant economic classes, the employers and industrial leaders. Likewise, it is today these classes which are leading the movement for changes in our system of government which will strip the Supreme Court of its veto power, or at least limit it to a considerable extent. The American Federation of Labor, which speaks for organized workers, is now studying methods of bringing about a change and may soon make concrete recommendations. Similarly farmers, dissatisfied with the AAA decision, favor some curb on the powers of our highest tribunal. Significantly, these demands have generally come at a time when these classes have felt, in an acute manner, the pressure of economic disaster and have demanded legislation designed to benefit them.

However, the President has been reluctant to take the Court issue into the campaign, although, after the NRA decision, he indicated a readiness to contest the interpretation which the justices had placed on the Constitution. But since then he has been quiet. It is believed that he has reached the conclusion that the idea of constitutional or court reform is not accepted by enough people to make a campaign issue of this kind politically expedient. This attitude of the President is likely to become more deeply rooted now that the Court has handed down a liberal, although limited, decision on the Tennessee Valley Authority.



FROM A PAINTING BY JOHN ALAN MAXWELL FOR THE JACKET OF "THE EXILE"

Among the New Books

Irish Statesman

"Parnell," by Elsie T. Schaffler. (New York: Samuel French. \$1.50.)

IN LONDON during the decade of the 1880's the name of Charles Stewart Parnell was on everyone's lips. The brilliant young Irish patriot was one of the outstanding figures in parliament. He kept the House in a continual state of ferment by his parliamentary maneuvers.

Parnell had one aim, which fashioned his whole life. That aim was to obtain home rule for Ireland. Fifty years ago he was the only man who could have secured it. That he should have it within his grasp, then see it crash, knowing himself to be the instrumentality which caused its wreckage, is the tragedy about which Mrs. Schaffler weaves her story. England did, of course, grant Ireland home rule at last, but because of Parnell, Ireland was forced to wait for some 34 tense years.

Taking only a few liberties with history, the author has created in this play an unforgettable picture of the great Irishman. The love affair which ruined his political career stands out as one of the most noble romances of fact or fable. In reality Parnell finally married the lovely Katharine O'Shea; in this drama the author wisely deviates from the truth on this point.

In bringing Parnell out of comparative obscurity Mrs. Schaffler has done a memorable job.

An American Mother

"The Exile," by Pearl S. Buck. (New York: Reynal & Hitchcock. \$2.50.)

PEARL BUCK has subtitled her latest book: "Portrait of an American Mother." The mother is her own. It is something of

a feat to detach oneself enough from family so as to write a life that is not one-sided. Mrs. Buck has come close to accomplishing this feat.

One of the most charming facts about Carie, the heroine of the biography, is that, were she alive today, she would unquestionably be the first to laugh at herself as pictured in certain parts of her daughter's portrait. Carie's father was Dutch, her mother French. From these two she received a strange heritage—a love of things beautiful, a gaiety, and a depth of human understanding, combined with a cold practicality, and a mighty will. Such a combination of virtues was not of the greatest value to one of her day. Feeling that she must subdue that part of her nature which was frowned upon by those about her, Carie married a man she did not love and went with him to China to do mission work. Never completely happy, she was yet able to bring some bit of happiness to all who knew her. The bitterness which occasionally flared up within her never took root.

Naturally Mrs. Buck's treatment of her subject is sympathetic, but it never sinks into the morass of sentimentality. The author in this respect exercises an admirable restraint. Aside from this, one wishes she were not so restrained. The brush is too pallid to do justice to the sitter.

Thriller—But a Good One

"The Hurricane," by Charles Nordhoff and James Norman Hall. (Boston: Little, Brown. \$2.50.)

SURELY there is scarcely a person alive who has not at some time had a burning desire to roam the Southern Seas. If that is an impossibility in fact, what better way to approximate it than through a book? Most readers are probably already familiar with one or more of the "Bounty" books of Nordhoff and Hall.

"The Hurricane" is their first attempt in a novel at complete romance. It is a story of the present, not a fictionalized account of historical incidents. The setting is the Tuamotu, or Islands of the Far Sea, which are ordinarily just dots on a map of the Pacific. Here lived Terangi, a native youth of the finest Polynesian type. Through unfortunate circumstances he is thrown in jail, but no jail can hold him. Again and again he is caught and again and again he escapes. Soon he becomes an almost legendary figure and unwittingly the cause of much strife in the islands. It is unfair to a good yarn to tell much of its story, for that is its complete worth. But, of course, eventually there is a hurricane which comes sweeping terrifically down on the islands, to help man settle things he could not settle by himself.



FROM THE JACKET DESIGN BY N. C. WYETH FOR "THE HURRICANE."



Are Civil Liberties Suppressed in the United States? Report of the Congregational and Christian Churches. Are Pacifists Necessarily Radicals?

THESE three imaginary students will meet each week on this page to talk things over. The same characters will continue from week to week. We believe that readers of THE AMERICAN OBSERVER will find it interesting to follow these discussions week by week and thus to become acquainted with the three characters. Needless to say, the views expressed on this page are not to be taken as the opinions of the editors of THE AMERICAN OBSERVER.

Charles: I have been reading quite a little lately about attacks upon freedom in the United States. A good many people are rising up to defend liberty, it is true. The Liberty League, for example, is doing that, but this League is interested in protecting the liberty of corporations to do as they please without government restraint. Few of the voices which are being raised are defending the freedom of the plain man—the freedom to speak or write as he pleases. That kind of freedom, the kind that America is supposed to stand for, seems to be in danger. I am beginning to wonder whether, as a matter of fact, our country is the “land of the free.”

Mary: Where have you been reading all these charges about the lack of freedom in the United States?

Charles: In a number of places. One of the last discussions of the problem that I have seen is to be found in a report called “New Attacks upon Liberties” which is put out by the Council for Social Action of the Congregational and Christian churches. Surely this is a trustworthy source.

John: It ought to be, but a good many of the churches, especially the committees on social and labor conditions in the churches, have become rather radical, and what they say is to be taken with a grain of salt.

Charles: It makes no difference so far as I can see whether those making the charges are radical or not. The important thing is whether or not they tell the truth.

Mary: I am interested in hearing what this church report says. I think I am in favor of liberty and freedom of speech as much as you are, Charles, but it seems to me that we have it in the United States. So far as I can see, everybody is allowed to say anything he wants to. I am sure I have never been interfered with. Of course, I don't advocate anything so very radical, but even if I did, I doubt if I would be bothered. The Communists don't seem to have much trouble. They publish “The Daily Worker.” It comes out every day advocating communism and it is not suppressed. Not only the Communists, but the Fascists are allowed to say anything they want to. I just read a book by Lawrence Dennis, called “The Coming American Fascism.” He advocates the abandonment of American democracy and the substitution of fascism, and his book is not suppressed.

John: I beg pardon, Mary. Did you say you had read that book by Dennis? I saw it and turned the pages over, but it was such difficult reading that I couldn't tell what he was talking about. From what little I did read, I doubted whether Mr. Dennis had a very clear idea either.

Mary: Well, it is a very poorly written book, but I did not want to go into that now. My point is that nobody has interfered with its publication and it wants to do away with the American system of government. It seems to me that that is proof that we have freedom here. Certainly books and papers which attack the prevailing form of government as the “Daily Worker” and “The Coming American Fascism” do in the United States would not be permitted in Russia or Italy or Germany or Japan. But what does your church report say about freedom, Charles?

Charles: Well, it speaks, among other things, of the “wave of repressive legislation that has engulfed the country during the past year.” It goes on to say: “We are

experiencing that denial of our elemental rights which is the sign of the presence of fascist forces at work in our national life. ‘Oust the Reds’ is the slogan, but the reality of the matter is that the wave of repression threatens to engulf liberals, progressives and radicals alike.”

Mary: If that is true I am just as much concerned as you are, but is it really true? I have not seen any instances of it.

Charles: You wouldn't, because you are not in a situation to see it. Listen to this further explanation which the church report makes: “The crucial struggle for civil liberty today is among tenant farmers and industrial workers, fighting for economic emancipation and security. It is a struggle which has not won the favor of employers and owners. Chief among their weapons



“THE ORATOR—MADISON SQUARE”

From an etching by Martin Lewis in “The Modern Masters of Etching Series.” (Studio Publications, Inc.)

are the overriding of the constitutional rights of workers and farmers through the courts, the police, the militia, and by vigilantism and night riding.”

The report goes on to speak of the “more or less comfortably placed who see no evidence of violation of law.” You come in that class, Mary. But even you are likely to see repression because in many cases students are being denied freedom of expression.

John: Do you know of any such cases?

Charles: Yes, I do. I read just a few days ago about such a case. Three students in a middle western State Teachers College made speeches on Armistice Day before the Rotary club of the town where the college was located. They advocated peace and condemned war, as they had a right to do. The American Legion took it up, though, and acted as if they were criminals. It threatened to make an investigation of the college to see if radicalism was being taught. Finally the president of the college had to make an abject apology. Then the American Legion called off the investigation, but the very threat which it made spread fear through the school and showed the independent teachers and students that they did not dare express themselves freely. If this was not an expression of fascism and a denial of the principles of democracy, I have never heard of one.

John: I think the American Legion was to be commended for what it did, if your facts are true. The members of the Legion

had risked their lives in order to save the country. Don't they have a right to see to it that the country is safe from enemies on the inside?—from pacifists and radicals who would undermine the strength of our government?

Mary: You are assuming, of course, John, that those who talk against war and try to keep the country out of it are enemies of America. That is merely your opinion. Many people believe, and I am one of them, that those who try to keep the country from fighting are its best friends. Who are you, after all, to set yourself up as the judge of what is good for the country? Who is the American Legion to set itself up as a judge? Under a dictatorship, those who have charge of the government say what is good for the country and everybody has to conform. But the idea in a democracy is that all the people may express their views freely. Then the majority decides what should be done. I am not saying that the American Legion did anything wrong in this case. I know nothing about it except what Charles said. He may not have the story straight. As I said a while ago, I feel that in the main, with an exception here and there, people do have liberty in this country to

of this country, and a citizen has a right to raise his children. You cannot take a person's life because he has a different religion from what you have, or because he has no religion at all. Can you then take away something as dear as life—a child away from its mother? I am not thinking about this one individual case, and certainly I am not defending either atheism or communism. I am saying that it is a dangerous thing when Americans get into the habit of ignoring the Constitution and of punishing people because of their beliefs. The most dangerous thing, as I see it, is not that a judge did such a thing in one of our states, but that people like you, John, who pretend to believe in democracy, approve it.

John: You are making entirely too much of that New Jersey case. I read about it. It was a divorce case. The judge had to choose whether to give the children to the father or the mother. He decided that if one parent was a communist and an atheist, that was evidence that she was not as fit to raise the child as the other parent was. He was not overthrowing a constitutional right. He did not say that the woman should be punished for atheism or communism. He simply had to use his judgment as to which parent was to have the child, and I think he decided it in the right way.

Mary: Well, at least Charles has got me interested in this question of civil liberty. I had assumed that it was safe enough in America. I am not sure yet that Charles is right about it, but at least I am going to make a further study of the question.

THOUGHTS AND SMILES

Science has been unable to produce light without heat, but we have nothing in our Constitution which prevents a public man, on occasion, from giving off heat without light.—Raymond Clapper, in the Washington Daily News

Mussolini has learned from his Ethiopian experience that into each life some rain must fall.—Flint (Mich.) JOURNAL

Al Smith is somewhat of a magician, at that. He ran two bits' worth of oratory into a \$10 cover charge.—Birmingham News

The chief handicap to the march for any measure of legislative freedom lies in apathy and misconception.—Heywood Brown

The forces back of the revival of prosperity in the United States must be pretty strong. They even revived Hoover.—Toronto Saturday Night

Will it be possible to hold a Democratic convention in the City of Brotherly Love?—James J. Montague, in the New York Herald-Tribune

“I visit my friends occasionally,” remarked the book lover, “just to look over my library.”—Reader's Digest

One of the deepest dispositions in human nature is to find a way of thinking that gives meaning to one's activity.—George Soule

Again, to the close observer it appears that many Democrats, in striving to see eye to eye with the President, are becoming cross-eyed.—St. Joseph (Mo.) News-Press

Nations may bury hatchets, but they never bury those axes they have to grind.—Washington Post

Complaint has arisen that our famous system of government by checks and balances has become too noticeably a government of checks.—Omaha Morning World-Herald

The only difference between a rut and a grave is in their dimensions.—Ellen Glasgow

Senator Joe Robinson says: “I think there must be two Al Smiths.” Oh, well, that's an illusion one often gets after a swift sock on the chin.—Boston Herald

You have a good President, but the bad Constitution is getting the best of him.—George Bernard Shaw

If the veterans insist upon cashing their bonds, we hope they will spend the money for motorcars and cigarettes. Then the tax-collector will get it back with the greatest of ease.—New Yorker

Congress Works Out Substitute for Agricultural Relief Program

(Concluded from page 1)

They were able, therefore, to make large purchases. The farmers could go ahead buying more farms, tilling more fields, raising more crops, and still they could find a market for what they raised either in this country or in foreign lands. It should be remembered that the market here, as well as the foreign market, was good because our population was growing rapidly.

These were the happy days of American agriculture. The farmers did not get rich, it is true. They did not make a great deal of money by raising and selling their crops, but they made a good living. Furthermore, the value of their land was going up all the time. One could be almost certain that a farm which he might buy would sell for a great deal more per acre 10 or 20 or 30 years after he had bought it. A farmer could buy cheap land. Then as age began to come on, he could probably sell it at a much higher price than he paid, and he might have enough money so that he could retire. A great part of the money which farmers made, they made, therefore, not so

peans of funds with which they might make purchases in our country. The situation, in fact, had been reversed. Americans were lending money to Europeans. They loaned billions of dollars during the wartime. If Europeans paid interest on the loans they had little left with which to buy goods.

At the same time, the American people themselves cut down their purchases of farm products. For one thing, the population was not growing so rapidly and the number of mouths to be fed were not increasing very fast. Furthermore, the people cut down their consumption of certain kinds of farm products. The average man in this country is not eating as much bread or meat as he did a generation ago.

Decline of Farming

All these factors worked together to hurt the farmers badly. After the World War the producers of crops were unable to sell as much as they had sold before. The situation was all the worse because of the fact that they were actually raising more than they had ever done. They had been buying machinery—some of it newly invented. This enabled a man to cultivate a larger farm than he had been handling, and made it possible for him to raise more. Production on the farms was going up at the very time that the demand for farm products was going down. The result was that the farmers were raising more wheat and corn and cotton and hogs and other things than they could sell. After a crop was sold, there were always surpluses on hand. Prices fell disastrously. In 1932 wheat was selling for only about one-fourth of the usual price. The farmers were actually impoverished. They were losing their farms by the wholesale. They were unable to pay interest on their debts and they could not pay taxes. By 1930 more than two-fifths of all the farmers were tenants. They did not own the land which they tilled. Many of the three-fifths who owned their farms were heavily in debt. The debts of the farmers amounted to almost one-fourth of the entire value of the farms.

It was under these circumstances that the government stepped in and tried to do something for the farming industry. It was decided, as was pointed out in THE AMERICAN OBSERVER of January 13, that the farmers should cut down their production so that they would be raising only as much as they could sell. The government helped them to do this through the AAA. It induced them to sign contracts promising to raise less than they had been raising. Then it paid them for holding part of their lands out of cultivation. The result was about the same as if the government had rented part of their land and paid them for it, and then let the land which it had rented lie idle.

For reasons which were explained in our January article, the Supreme Court held the AAA to be unconstitutional. There was a difference of opinion as to whether it would help the farmers. Certainly farm conditions had improved. Prices had risen. The farmers were not as well off as they had been before the war, but they were much better off than they had been. This may have been due to

the fact that they had cut their production, created scarcity, and, therefore, received higher prices. It was undoubtedly due in part to the fact that the government had given them money. Other factors, of course, had entered into the situation so that the value of the AAA to the farmers is still a debated point. But whether it was good for them or not, it was held to be unconstitutional and the government was obliged either to give up its farm program or to find a substitute measure.

New Farm Program

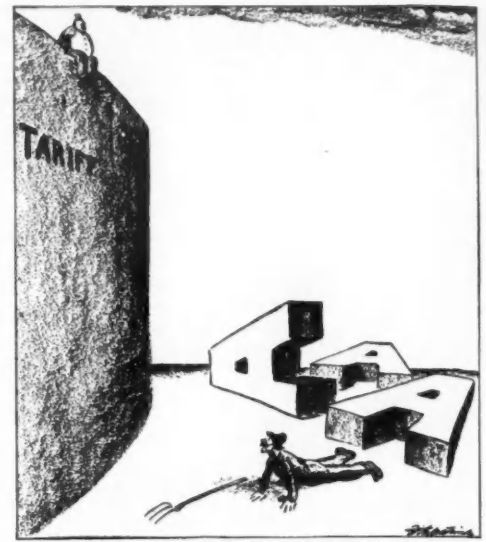
The substitute was found and, as we stated in the opening paragraph, it is to be enacted into law. The new farm act will probably have about the same results that the AAA had, but these results are arrived at by a different method. The government will undertake again to induce the farmers to cut down their production of the crops which have been too heavily produced, but it will do this by an indirect method. Here is the way the plan works:

The purpose of the government as explained in the act is to conserve the soil, a thing which the national government has a constitutional right to do. It will help the farmers to cut down their production of certain crops because the continued planting of these crops robs the soil of fertility. Farmers will not be paid benefits openly and directly for producing less wheat, corn, and cotton, but rather for putting out grasses and legumes, such as clover and alfalfa, in place of the wheat and corn. These grasses and legumes are known to give the soil nitrates which it needs. It is intended by this measure to remove about 30 million acres from cultivation. The result will be, so it is intended, that less wheat and corn and cotton and other of the crops which have been too extensively produced, will be raised—the same result which was obtained under the AAA—but the express purpose will be to save the soil rather than to control agricultural production.

The government will spend about as much in benefits to the farmers as it did under the AAA, but the money will be raised in a different way. Under the AAA the money was raised by processing taxes, or taxes placed upon the processors or dealers in the wheat, cotton, and other crops. The money thus collected was put into a fund to pay the farmers. Though provision has not yet been made for raising the money to put the new plan into effect, it can safely be said that the money to pay the farmers will be drawn out of a general fund in the treasury. Taxes of some kind will be levied; the money will go into the treasury and not into a special fund. Then the treasury will be drawn upon for the sum of half a billion dollars or so to meet the expenses of the new program.

What of the Future?

The wisdom of this farm program is at present a matter of dispute. Those who support it feel that it will give the farmers



THE FARMER'S WALL IS UPSET

—Fitzpatrick in St. Louis Post-Dispatch

immediate relief; that it will give them higher incomes; will add to their producing power, and will thus stimulate industry of all kinds throughout the nation. Opponents of the program point to certain harmful effects. If the curtailing of crops has the effect which is intended and raises farm prices in the United States, this will make it even harder than it now is for the farmers to sell their goods in the markets of the world. The foreign demand for American cotton has already fallen off at an alarming rate.

Whether or not the administration's farm program is helpful to the farmers, no one considers it a permanent solution of all their ills. It does not remove the causes for the decline of the farming industry which we outlined earlier in this article. It does not give the farmers back their foreign markets. It does not give them back the old growing demand in America for their products. It does not provide a means by which they can produce all they are capable of producing and still get profitable prices. It does not really set them on their feet. This is not to say that the administration's program is unwise. It may be very good so far as it goes. That is a debatable point. However, something else must be done if the farmers are ever to become independent and prosperous.

SOMETHING TO THINK ABOUT

1. Is there any reason to believe that the new farm relief program is more constitutional than the AAA? Why?
2. What advantages, if any, does this program have which the AAA did not?
3. Do you think the new program gets at the heart of our agricultural difficulties?
4. Do you think the basic cause of war would be removed if there were a redistribution of territories so as to give the "have not" nations colonial possessions?
5. What steps do you think should be taken to remove the friction which exists today over this issue?
6. Have you noted any evidence in your community that civil liberties are being curtailed?
7. What might be some of the effects of the TVA decision upon future policies of the Roosevelt administration?

PRONUNCIATIONS:
 Jose Maria Gil Robles (ho-say' ma-ree'a heel' ro'-blays—o as in go), Francisco Largo Caballero (frahn-thees' ko lar'go kah-bah-yay'ro—all o's as in go), Manuel Azaña (ma-noo-el' ah-than'ya), Albert Sarraut (al-bair' sa-ro—o as in go), Leon Blum (lay-on' bloom—o as in go), Mukden (mook'den), Ernst Hanfstaengl (airnst' hanf'stayngl), Hsinking (shin'jing').



A NEW FLAG FOR THE GOOD SHIP BOUNTY

—Brown in Akron Beacon Journal

much from tilling the soil as by speculating in its value—by buying at a low price and selling at a high price.

Changing Conditions

But a number of years ago several conditions unfavorable to farmers developed. For one thing, farm lands, as we have seen, went up in value. A man had to pay much more money to buy a farm. If he went in debt for it his interest charges were higher. He had to receive higher prices in order to make any money because his cost of production had gone up. At the same time that this was happening in America, new farm lands were being opened and settled in several undeveloped parts of the world—in Australia, in Russia, in the Argentine, in New Zealand, in Canada, and elsewhere. Land in these new countries was cheap just as it had been in the United States in the nineteenth century. Costs of production there were low. The farmers in these new lands could, therefore, sell at prices which would be ruinous for the Americans. They could undersell our farmers in the markets of the world just as our farmers half a century earlier had undersold the British, the French, and the German farmers. Our producers of wheat and cotton and other things lost a part of their foreign market.

Then came several other developments unfavorable to them. It turned out that the foreigners no longer had so much money with which to buy American goods. They were no longer making loans to Americans. Interest money was not flowing from America to Europe, and this deprived the Euro-



CHRISTIAN HOLLOW

From an etching by Andrew B. Butler in "Fine Prints of the Year—1933." (Minton, Balch.)